

The Nevis Fund

Annual (audited) Report & Financial Statements

For the period from 1 March 2010 to 28 February 2011

INDEX

Management and Administration

Registered Office and Directors	2
Company Information	2
Statement of Authorised Corporate Director's ("ACD") and Depository's Responsibilities	2
Report of the ACD to the Shareholders	3
Directors' Statement	3
Report of the Depository to the Shareholders	3
Report of the Independent Auditor to the Shareholders	4

The Nevis Fund Aggregated Financial Statements

Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders & Balance Sheet	5
Notes to the Aggregated Financial Statements	6-8

Nevis Conservative Portfolio

Comparative Tables	9
Total Expense Ratio	9
Investment Objective and Policy	9
Investment Review	9-10
Portfolio of Investments	11
Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders & Balance Sheet	12
Notes to the Financial Statements	13-15
Distribution Tables	15

Nevis Growth Portfolio

Comparative Tables	16
Total Expense Ratio	16
Investment Objective and Policy	16
Investment Review	16-17
Portfolio of Investments	18
Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders & Balance Sheet	19
Notes to the Financial Statements	20-21
Distribution Tables	22

MANAGEMENT AND ADMINISTRATION

The Authorised Corporate Director ("ACD") and registered office of The Nevis Fund ("the Company"):

PREMIER PORTFOLIO MANAGERS LIMITED

Eastgate Court, High Street,
Guildford, Surrey, GU1 3DE

Premier Portfolio Managers Limited is authorised and regulated by the Financial Services Authority ("FSA") and is a member of the Investment Management Association ("IMA"). Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group.

DIRECTORS OF THE ACD: Mike O'Shea (Chairman)
Neil Macpherson (Finance Director)
Simon Weldon (Managing Director, Sales and Marketing)
Mark Friend (Managing Director, Operations)
Mike Hammond (IFA Sales Director)

INVESTMENT ADVISER: Premier Fund Managers Limited is the Investment Adviser to the Nevis Fund.

Premier Fund Managers Limited has appointed North Investment Partners Limited as sub-Investment Adviser to The Nevis Conservative Portfolio and The Nevis Growth Portfolio.

DEPOSITARY: The Royal Bank of Scotland plc
Trustee & Depositary Services
The Broadstone,
50 South Gyle Crescent,
Edinburgh, EH12 9UZ

AUDITOR: Grant Thornton UK LLP
30 Finsbury Square,
London, EC2P 2YU

ADMINISTRATOR & REGISTRAR: Northern Trust Global Fund Services Limited
PO Box 55736,
50 Bank Street,
Canary Wharf,
London, E14 1BT

COMPANY INFORMATION

The Nevis Fund is an Investment Company with Variable Capital under regulation 12 of the Open-Ended Investment Company Regulations and incorporated in England and Wales under registered number IC000581 and authorised by the FSA with effect from 26th February 2008. Shareholders are not liable for the debts of the Company. At the year end the Company contained two sub-funds, the Nevis Conservative Portfolio and the Nevis Growth Portfolio.

The Company is a non-UCITS Retail scheme which complies with the FSA's Collective Investment Schemes sourcebook and is structured as an umbrella company so that different sub-funds may be established from time to time by the ACD with the approval of the FSA and the agreement of the Depositary.

STATEMENT OF ACD AND DEPOSITARY'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS OF THE SCHEME

The Open-Ended Investment Companies Regulations 2001 and the FSA's Collective Investment Schemes sourcebook ("the Regulations") require the ACD to prepare accounts for each annual accounting period, which give a true and fair view of the financial position of the scheme as at the end of the year and of the net revenue and the net capital gains or losses on the property of the scheme for the year then ended. In preparing the accounts, the ACD is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- comply with the disclosure requirements of the Statement of Recommended Practice 'Financial Statements of Authorised Funds', issued by the IMA in October 2010 and the Instrument of Incorporation.
- follow UK generally accepted accounting principles and applicable accounting standards.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the scheme will continue in operation.
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the Regulations.

The Depositary is responsible for safeguarding the property of the scheme and must take reasonable care to ensure that the scheme is managed by the ACD in compliance with the Regulations and the provisions of the Instrument of Incorporation and Prospectus.

The ACD and Depositary are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MANAGEMENT AND ADMINISTRATION

REPORT OF THE ACD TO THE SHAREHOLDERS OF THE COMPANY

The ACD, as sole director, presents its report and the audited financial statements of the Company for the year from 1st March 2010 to 28th February 2011.

The Company is a non-UCITS Retail scheme which complies with the FSA's Collective Investment Schemes sourcebook. The shareholders are not liable for the debts of the Company.

The Investment Objectives and Policies of each sub-fund of the Company are covered in the section for each sub-fund. The sub-funds of an umbrella company should be invested as if they were a single company. The names and addresses of the ACD, the Depositary and the Auditor are detailed on page 2.

In the future there may be other sub-funds of the Company. As a sub-fund is not a legal entity, if the assets attributable to any sub-fund were insufficient to meet the liabilities attributable to it, the shortfall might have to be met out of the assets attributable to one or more other sub-funds of the Company.

DIRECTORS' STATEMENT

In accordance with the Regulations, we hereby certify the report on behalf of the directors of Premier Portfolio Managers Limited.



Neil Macpherson

Finance Director (of the ACD)

27th June 2011

Mark Friend

Managing Director, Operations (of the ACD)

REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS FOR THE YEAR FROM 1ST MARCH 2010 TO 28TH FEBRUARY 2011 FOR THE NEVIS CONSERVATIVE PORTFOLIO AND THE NEVIS GROWTH PORTFOLIO AS SUB-FUNDS OF THE NEVIS FUND ('THE COMPANY')

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the FSA's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 and the Instrument of Incorporation in relation to the pricing of, and dealings in, shares in the Company, the application of the income of the Company, and the investment and borrowing powers and restrictions applicable to the Company.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary, it is our opinion that:

- the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and
- the application of the Company's income have, in all material respects, been carried out in accordance with the provisions of:
- the Regulations and
- the Open-Ended Investment Companies Regulations 2001 and
- the Instrument of Incorporation of the Company

and that, in all material respects, the investment and borrowing powers and restrictions applicable to the Company, in accordance with the provision of the Regulations and Instrument of Incorporation, have been observed.

The Royal Bank of Scotland plc

Trustee & Depositary Services

27th June 2011

MANAGEMENT AND ADMINISTRATION

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF THE NEVIS FUND

We have audited the financial statements of The Nevis Fund for the year ended 28th February 2011. These financial statements consist of the aggregated financial statements of the Company, which comprise the statement of total return, the statement of change in net assets attributable to shareholders, the balance sheet, and notes 1 to 15, and for each of the Company's sub-funds, the statement of total return, statement of change in net assets attributable to shareholders, balance sheet, distribution tables and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association in October 2010.

This report is made solely to the Company's shareholders, as a body, in accordance with regulation 67(2) of the Open-Ended Investment Companies Regulations 2001, and with Rule 4.5.12 of the Collective Investment Schemes sourcebook. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Authorised Corporate Director and the Auditor

As explained more fully in the Statement of the Authorised Corporate Director's and Depositary's Responsibilities set out on page 2, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards requires us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Authorised Corporate Director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the net revenue and net capital gains on the scheme property of the Company and each of the sub-funds for the year ended 28th February 2011, and the financial position of the Company and each of the sub-funds as at 28th February 2011, and
- have been properly prepared in accordance with the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association in October 2010, the Collective Investment Schemes sourcebook, and the Instrument of Incorporation.

Opinion on other matters prescribed by the Collective Investment Schemes sourcebook

In our opinion:

- we have been given all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit, and
- the information given in the Authorised Corporate Director's Report which comprises the management and administration information on page 2, the report of the ACD on page 3, the investment objectives and policies, the investment reviews and the portfolio statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Collective Investment Schemes sourcebook requires us to report to you if in our opinion:

- proper accounting records for the Company or a sub-fund have not been kept, or
- the financial statements are not in agreement with the accounting records.

Grant Thornton UK LLP

Registered Auditor

Chartered Accountants

London, England

27th June 2011

THE NEVIS FUND AGGREGATED FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

For the year ended 28th February 2011

	Notes	28/02/11		28/02/10	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	2		4,048		6,572
Revenue	3	1,191		918	
Expenses					
Expenses	4	(803)		(626)	
Finance costs: Interest	6	-		-	
Net revenue before taxation					
		388		292	
Taxation	5	(12)		(27)	
Net revenue after taxation					
			376		265
Total return before distributions					
			4,424		6,837
Finance costs: Distributions	6		(732)		(533)
Change in net assets attributable to shareholders from investment activities					
			<u>3,692</u>		<u>6,304</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28th February 2011

	Note	28/02/11		28/02/10	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders					
			39,749		25,719
Amounts receivable on issue of shares					
		11,340		13,500	
Amounts payable on cancellation of shares					
		<u>(5,153)</u>		<u>(6,218)</u>	
			6,187		7,282
Dilution levy					
			4		5
Stamp duty reserve tax					
			(20)		(12)
Change in net assets attributable to shareholders from investment activities					
			3,692		6,304
Retained distributions on accumulation shares					
	6		647		451
Closing net assets attributable to shareholders					
			<u>50,259</u>		<u>39,749</u>

BALANCE SHEET

As at 28th February 2011

	Notes	28/02/11	28/02/10
		£'000	£'000
ASSETS			
Investment assets			
		<u>47,192</u>	<u>36,890</u>
Debtors			
	7	450	5,982
Cash and bank balances			
	8	<u>2,750</u>	<u>856</u>
Total other assets			
		<u>3,200</u>	<u>6,838</u>
Total assets			
		<u>50,392</u>	<u>43,728</u>
LIABILITIES			
Creditors			
	10	(104)	(3,823)
Bank overdrafts			
	9	-	(150)
Distribution payable on income shares			
	6	<u>(29)</u>	<u>(6)</u>
Total liabilities			
		<u>(133)</u>	<u>(3,979)</u>
Net assets attributable to shareholders			
		<u>50,259</u>	<u>39,749</u>

The notes on pages 6 to 8 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)

Mark Friend
Managing Director, Operations (of the ACD)

27th June 2011

THE NEVIS FUND AGGREGATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice 'Financial Statements of Authorised Funds', issued by the IMA in October 2010, the FSA's Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Revenue Recognition

Revenue from collective investment schemes, and quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Accumulation of revenue relating to accumulation units or shares held in collective investment schemes is recognised as revenue and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in collective investment schemes is treated as capital and deducted from the cost of the investment.

The gains and losses arising on investments in structured plans are allocated between revenue and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital or revenue based.

Bank interest and other revenue are recognised on an accruals basis.

Expenses

For accounting purposes, all expenses (other than SDRT and those relating to the purchase and sale of investments) are charged against revenue for the year on an accruals basis.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the sub-fund. Any enhancement above the cash dividend is treated as capital.

Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend.

Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the ACD and Depositary.

The ACD and Depositary have agreed that 100% of the Nevis Conservative sub-fund's expenses are borne by capital and that 100% of the Nevis Growth sub-fund's expenses are borne by revenue.

Valuations

All investments are valued at their fair value at noon on 28th February 2011, being the last business day of the financial year. The fair value of equity and non-equity shares is bid price, excluding any accrued interest.

The fair value of dual priced collective investment schemes managed by the ACD is their cancellation price and the fair value of dual priced collective investment schemes which are managed by other management groups is their bid price. The fair value of all single priced collective investment schemes is their single price, taking account of any agreed redemption charges.

Structured plans are valued at the latest price from the product provider.

Taxation

Corporation tax has been provided for at a rate of 20%. Deferred tax is provided in respect of timing differences that have originated but not been reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that they are more likely than not to be recoverable.

Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the FSA Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-funds and included in the Statement of Change in Net Assets Attributable to Shareholders. The levy is intended to cover certain dealing charges not included in the mid market value of the sub-fund used in calculating the share price, which could have a diluting effect on the performance of the sub-fund.

Stamp Duty Reserve Tax (SDRT)

SDRT will be charged to the sub-fund. It is the ACD's view that this will not be material.

2. NET CAPITAL GAINS

	28/02/11 £'000	28/02/10 £'000
Non-derivative securities	4,004	6,515
Currency gains	9	9
Capital management fee rebates	36	48
Transaction charges	(1)	-
Net capital gains	4,048	6,572

3. REVENUE

	28/02/11 £'000	28/02/10 £'000
Bank interest	2	-
Franked UK dividends	5	3
Offshore CIS dividends	87	-
Overseas dividends	12	2
Franked distributions	598	291
Unfranked distributions	465	611
Management fee rebates	22	11
	1,191	918

4. EXPENSES

	28/02/11 £'000	28/02/10 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	687	502
	687	502
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	36	27
Safe custody fees	2	2
	38	29

THE NEVIS FUND AGGREGATED FINANCIAL STATEMENTS

Other expenses:

Auditor's remuneration	14	12
FSA and other regulatory fees	1	-
Legal fees	-	3
Price publication fees	5	4
Printing fees	2	(3)
PRS fees	10	10
Registration fees	46	69
	78	95
Total expenses	803	626

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	28/02/11 £'000	28/02/10 £'000
Current tax:		
Corporation tax	-	13
Irrecoverable income tax	12	14
Total current tax (note 5 (b))	12	27
Total taxation	12	27

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/11 £'000	28/02/10 £'000
Net revenue before taxation	388	292
	388	292
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2010: 20%)	78	58
Effects of:		
Franked UK dividends and distributions not subject to taxation	(137)	(59)
Irrecoverable income tax	12	14
Offshore dividends non-taxable	(2)	(7)
Tax effect on capital management fee rebates	7	10
Tax payable in different periods	1	-
Excess management expenses	53	11
Current tax charge (note 5 (a))	12	27

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28/02/11 £'000	28/02/10 £'000
First interim distribution	27	55
First interim accumulation	141	148
Second interim distribution	27	1
Second interim accumulation	177	23
Third interim distribution	27	58
Third interim accumulation	149	192
Final distribution	29	6
Final accumulation	180	88
	757	571

Add: Revenue deducted on cancellation of shares

24 13

Deduct: Revenue received on issue of shares

(49) (51)

Net distributions for the year

732 533

Interest

- -

Total finance costs

732 533

The difference between the net revenue after taxation and the amounts distributed comprises:

Net revenue after taxation	376	265
Expenses offset against capital	428	328
Tax effect on capital management fees	(72)	(60)
Finance costs: Distributions	732	533

7. DEBTORS

	28/02/11 £'000	28/02/10 £'000
Accrued revenue	94	39
Amounts receivable for issue of shares	67	230
Prepaid expenses	3	4
Recoverable income tax	81	80
Renewal commission receivable	63	40
Sales awaiting settlement	142	5,589
	450	5,982

8. CASH AND BANK BALANCES

	28/02/11 £'000	28/02/10 £'000
Sterling	2,750	856
Cash and bank balances	2,750	856

9. BANK OVERDRAFTS

	28/02/11 £'000	28/02/10 £'000
Sterling	-	150
	-	150

THE NEVIS FUND AGGREGATED FINANCIAL STATEMENTS

10. CREDITORS

	28/02/11 £'000	28/02/10 £'000
Accrued expenses	83	69
Amounts payable for cancellation of shares	-	63
Corporation tax payable	-	2
Purchases awaiting settlement	21	3,689
	<u>104</u>	<u>3,823</u>

11. RELATED PARTIES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

12. CONTINGENT LIABILITIES AND COMMITMENTS

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

13. FINANCIAL INSTRUMENTS

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

14. SHARE CLASSES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

15. PORTFOLIO TRANSACTION COSTS

As the Company mainly invests in collective investment schemes, and structured plans, there are no material transaction costs.

NEVIS CONSERVATIVE PORTFOLIO

COMPARATIVE TABLES

Performance Record

Calendar Year	High (p)	Low (p)
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Income Shares

2008 ¹	103.52	81.92
2009	96.30	78.85
2010	102.09	92.29
2011 ²	103.35	101.20

Accumulation Shares

2008 ¹	103.53	82.87
2009	100.96	81.05
2010	110.76	98.58
2011 ²	112.12	109.80

Income/Accumulation Record

Calendar Year	Net Income per Share (p)
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Income Shares

2008 ¹	2.1216
2009	2.4324
2010	2.2545
2011 ²	0.6863

Accumulation Shares

2008 ¹	2.1337
2009	2.4544
2010	2.4386
2011 ²	0.7971

Net Asset Value (NAV)

As at	Shares in Issue	NAV per Share (p) ³
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Income Shares

28/02/2009	6,144,490	81.15
28/02/2010	3,823,295	95.10
28/02/2011	4,258,537	101.30

Accumulation Shares

28/02/2009	8,850,658	83.40
28/02/2010	16,938,046	100.72
28/02/2011	20,550,233	110.60

Total NAV

	NAV of Sub-Fund (£)
28/02/2009	12,367,519
28/02/2010	20,695,806
28/02/2011	27,041,831

¹ From 26th February 2008.

² To 28th February 2011.

³ The net asset value per share is calculated on a bid basis and excludes any distribution payable.

TOTAL EXPENSE RATIO (TER)

28/02/11	28/02/10
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2.47%	2.56%
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The TER shows the annual operating expenses of the sub-fund including the annual management charge, other expenses, and collective investments schemes (CIS) cost, which represent the TER's of the underlying funds held as portfolio investments. The CIS costs have been calculated on a weighted average basis using the total value of the investments at the year end. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses of different schemes. The TER for income and accumulation shares is the same.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Nevis Conservative Portfolio is to provide a yield in excess of that offered by the UK Stock Market whilst, at the same time, offering the potential for capital growth over the medium to long term.

The investment policy of the sub-fund is to invest in units and/or shares in collective investment schemes including (but not limited to) units and/or shares of collective investment schemes which themselves may invest in immovable property and unregulated collective investment schemes such as hedge funds. The sub-fund may also invest in equities, fixed interest securities, money market instruments, deposits and warrants. It is the intention to be near fully invested at all times, however, the sub-fund has the facility to take tactical positions in cash or near cash.

Subject to the above, the sub-fund may invest in any asset class and adopt any investment technique or strategy permitted under FSA rules and as detailed in the full prospectus. The sub-fund may invest in derivatives and forward transactions for investment purposes as well as for the purposes of efficient portfolio management (including hedging).

INVESTMENT REVIEW

PERFORMANCE

The Nevis Conservative Portfolio rose by 10.1% during this period.

MARKET REVIEW

Global equities rose as further evidence of a sustainable global economic recovery came through. However, it has not been a smooth ride. President Obama's proposal for tighter banking regulation coupled with the Greek sovereign debt crisis led to a sell off early in the period.

The investigation of Goldman Sachs over allegations of fraud in connection with US sub-prime property, shocked markets. In addition, Greece came under further pressure to agree austerity measures to reduce their growing deficit in exchange for assistance from other EU members and the International Monetary Fund (IMF).

At the end of August comments by Ben Bernanke, the US Federal Reserve Chairman, led investors to believe that a further round of Quantitative Easing was on the cards. As a result, markets rallied to the end of the year, briefly punctuated by Ireland's banking crisis and the subsequent bailout.

From the beginning of 2011 to date, Western economies have recovered at a faster rate than anticipated, although the question remains whether this is self sustaining or propped up by Quantitative Easing. For Asia and the Emerging Markets the spectre of inflation has turned attention away from strong Growth Domestic Product (GDP) growth and onto the threat of tightening monetary policy. On top of this, rising tensions in the Middle East have led to further concerns over the global economic recovery as Brent Crude oil neared US\$120 a barrel.

PORTFOLIO ACTIVITY

Over the period our approach has been to maintain an even spread between risk assets and defensive assets. Investors still have concerns regarding the sustainability of the economic recovery and the continued high levels of sovereign debt in the West.

NEVIS CONSERVATIVE PORTFOLIO

The Fund's performance was achieved in a year where investors continued to experience considerable volatility across all markets. However, the willingness of the US to continue with further Quantitative Easing and signs that the recovery was broadening out proved encouraging for the markets in general.

In June 2010 we made some significant changes to the UK equity section of the portfolio, switching out of index tracking Exchange Traded Funds (ETFs) in favour of Income Managers, such as Clive Beagles, manager of JOHCM UK Equity Income, with proven stock picking skills who are able to take advantage of volatility in the markets. We also bought JPMorgan Consumer Trends. This global fund is managed by Peter Kirkman and looks to profit from the changing appetite of the consumer in both the West and Emerging Markets. Towards the end of the period we introduced a holding in the Martin Currie Japan Alpha fund. The Japanese economy looks set to be a significant beneficiary of the recovering global economy and, coupled with low valuations, makes this an attractive investment.

OUTLOOK

The US is leading the recovery in the West and there are signs that the recovery is starting to broaden out although questions remain over its sustainability.

Developing economies are returning to above trend growth but loose monetary policy in the West is proving to be a headache for these countries as they continue to maintain their attachment to a weakening dollar. Equity markets remain wary of tightening monetary policy in these regions.

Inflation in the UK continues to be a concern. The creditability of the Bank of England is being questioned and their nerve tested. Whilst we may see an initial interest rate rise, it is unlikely we will see soaring rates whilst wage inflation remains non-existent.

Substantial sovereign debt funding in the Eurozone will remain a challenge. With austerity programmes in full swing, there will be less fundraising. However, hopes of a more concrete resolution agreed by all Eurozone finance ministers does not appear to be forthcoming.

For now we believe that global economic recovery is continuing which will support equity markets. The main caveat is the price of oil. Recent unrest in the Middle East and North Africa has caused Brent Crude oil to spike to over US\$110 a barrel, and if this rise continues, this could hamper the recovery.

Source: North Investment Partners, March 2011. Performance data taken from Financial Express Analytics, quoted on a total return, bid to bid, UK sterling basis. Past performance is not a guide to future returns.

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
JO Hambro UK Equity	1,840	Invesco IP Corporate Bond	1,910
Legal & General Dynamic Bond 'I'	1,626	M&G Securities Optimal Income	1,798
Invesco Perpetual Income	1,588	AXA Framlington UK	
Artemis Strategic Bond	1,585	Select Opportunities	1,218
Threadneedle UK Monthly Income	1,546	iShares FTSE 250	1,031
Invesco Perpetual High Income	662	Invesco Perpetual Monthly Income Plus	658
John Laing Infrastructure	526	Income Plus	658
F&C UK Property	510	iShares FTSE 100	490
Martin Currie Japan Alpha 'H'	507	FRM Credit Alpha	464
Newton Asian Income	507	Gartmore UK Absolute Return 'I'	438
		Absolute Insight UK	
		Equity Market Neutral 'B'	436
		Goldman Sachs Sterling	
		Liquid Reserves	424
Total purchases during the year were	15,432	Total sales during the year were	10,786

NEVIS CONSERVATIVE PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 28th February 2011

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
COLLECTIVE INVESTMENT SCHEMES 77.81% (73.13%)			
United Kingdom 77.81% (70.58%)			
252,648	Allianz RCM BRIC Stars Fund 'C'	463	1.71
1,250,159	Artemis Income	2,151	7.95
799,446	Artemis Strategic Asset	530	1.96
3,276,475	Artemis Strategic Bond	1,675	6.19
68,053	BlackRock Gold & General 'A'	1,071	3.96
510,000	F&C UK Property	493	1.82
452,147	Henderson UK Property Trust	415	1.53
866,378	Invesco Perpetual High Income	737	2.73
1,224,250	Invesco Perpetual Income	1,048	3.88
1,681,721	Invesco Perpetual Monthly Income Plus	1,698	6.28
283,825	Investec Enhanced Natural Resources 'I'	383	1.42
143,128	Investec Global Energy 'A'	398	1.47
1,568,280	JO Hambro UK Equity 'I'	2,177	8.05
471,195	JPMorgan Global Consumer Trends 'C'	521	1.93
2,536,346	Legal & General Dynamic Bond 'I'	1,667	6.16
477,401	Martin Currie Japan Alpha 'H'	555	2.05
673,714	Neptune Income 'B'	1,052	3.89
307,626	Newton Asian Income	501	1.85
3,816,742	Schroder Income Maximiser 'A'	1,725	6.38
3,121,223	Threadneedle UK Monthly Income	1,784	6.60
		21,044	77.81
Money Market 0.00% (2.55%)			
EXCHANGE TRADED FUNDS 0.44% (5.86%)			
United Kingdom 0.44% (5.86%)			
34,000	Quorum Oil & Gas Technology	118	0.44
		118	0.44
INVESTMENT TRUSTS 5.29% (1.75%)			
Global 4.76% (0.11%)			
222,000	Better Capital Ltd	261	0.97
283,891	BlueCrest AllBlue	481	1.78
526,000	John Laing Infrastructure	544	2.01
		1,286	4.76
Property 0.13% (0.17%)			
50,000	MedicX	36	0.13
		36	0.13
United Kingdom 0.40% (1.47%)			
138,174	FRM Credit Alpha	107	0.40
		107	0.40

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
HEDGE FUNDS 7.79% (6.75%)			
United Kingdom 7.79% (6.75%)			
421,000	BlackRock Hedge UK Emerging Red 'P'	535	1.98
14,586	JPMorgan Income Hedged 'C'	1,571	5.81
		2,106	7.79
STRUCTURED PLANS 3.68% (5.04%)			
United Kingdom 3.68% (5.04%)			
15,700,000	Goldman Sachs GBP 10 Year Swap Rate Certificates 12/06/12	16	0.06
864,000	Goldman Sachs GBP 10 Year Swap Rate Certificates 20/11/2014	718	2.66
359,500	Harewood Structured Enhanced Property Recovery 'A'	261	0.96
		995	3.68
Total Value of Investments		25,692	95.01
Net Other Assets		1,350	4.99
Total Net Assets		27,042	100.00

Figures in brackets represent sector distribution at 28th February 2010.

NEVIS CONSERVATIVE PORTFOLIO

STATEMENT OF TOTAL RETURN

For the year ended 28th February 2011

	Notes	28/02/11 £'000	28/02/10 £'000
Income			
Net capital gains	2	1,934	2,982
Revenue	3	767	545
Expenses	4	(428)	(328)
Finance costs: Interest	6	-	-
Net revenue before taxation		339	217
Taxation	5	(9)	(13)
Net revenue after taxation		330	204
Total return before distributions		2,264	3,186
Finance costs: Distributions	6	(686)	(472)
Change in net assets attributable to shareholders from investment activities		1,578	2,714

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28th February 2011

	Note	28/02/11 £'000	28/02/10 £'000
Opening net assets attributable to shareholders		20,696	12,368
Amounts receivable on issue of shares		7,204	9,623
Amounts payable on cancellation of shares		(3,022)	(4,382)
		4,182	5,241
Dilution levy		2	-
Stamp duty reserve tax		(13)	(8)
Change in net assets attributable to shareholders from investment activities		1,578	2,714
Retained distributions on accumulation shares	6	597	381
Closing net assets attributable to shareholders		27,042	20,696

BALANCE SHEET

As at 28th February 2011

	Notes	28/02/11 £'000	28/02/10 £'000
ASSETS			
Investment assets		25,692	19,149
Debtors	7	212	3,362
Cash and bank balances	8	1,218	400
Total other assets		1,430	3,762
Total assets		27,122	22,911
LIABILITIES			
Creditors	10	(51)	(2,059)
Bank overdrafts	9	-	(150)
Distribution payable on income shares	6	(29)	(6)
Total liabilities		(80)	(2,215)
Net assets attributable to shareholders		27,042	20,696

The notes on pages 13 to 15 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)

Mark Friend
Managing Director, Operations (of the ACD)

27th June 2011

NEVIS CONSERVATIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies are set out in the aggregated notes to the financial statements on pages 6 to 8.

2. NET CAPITAL GAINS

	28/02/11 £'000	28/02/10 £'000
Non-derivative securities	1,897	2,954
Currency gains	19	5
Capital management fee rebates	19	23
Transaction charges	(1)	-
Net capital gains	1,934	2,982

3. REVENUE

	28/02/11 £'000	28/02/10 £'000
Bank interest	1	-
Franked UK dividends	5	3
Offshore CIS revenue	26	-
Overseas dividends	5	-
Franked distributions	373	162
Unfranked distributions	345	377
Management fee rebates	12	3
	767	545

4. EXPENSES

	28/02/11 £'000	28/02/10 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	365	259
	365	259
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	19	14
Safe custody fees	1	1
	20	15
Other expenses:		
Auditor's remuneration	7	6
Legal fees	-	3
Price publication fees	3	2
Printing fees	2	(1)
PRS fees	5	5
Registration fees	26	39
	43	54
Total expenses	428	328

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	28/02/11 £'000	28/02/10 £'000
Current tax:		
Corporation tax	-	13
Irrecoverable income tax	9	-
Total current tax (note 5 (b))	9	13
Total taxation	9	13

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/11 £'000	28/02/10 £'000
Net revenue before taxation	339	217
	339	217
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2010: 20%)	68	43
Effects of:		
Franked UK dividends and distributions not subject to taxation	(80)	(33)
Irrecoverable income tax	9	-
Offshore dividends non-taxable	(1)	(2)
Tax effect on capital management fee rebate	4	5
Excess management expenses	9	-
Current tax charge (note 5 (a))	9	13

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £9,653 (2010: £nil) arising as a result of having unutilised management expenses.

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28/02/11 £'000	28/02/10 £'000
First interim distribution	27	55
First interim accumulation	141	148
Second interim distribution	27	1
Second interim accumulation	143	4
Third interim distribution	27	58
Third interim accumulation	149	192
Final distribution	29	6
Final accumulation	164	37
	707	501

NEVIS CONSERVATIVE PORTFOLIO

Add: Revenue deducted on cancellation of shares	21	10
Deduct: Revenue received on issue of shares	(42)	(39)
Net distributions for the year	686	472
Interest	-	-
Total finance costs	686	472

The difference between the net revenue after taxation and the amounts distributed comprises:

Net revenue after taxation	330	204
Expenses offset against capital	428	328
Tax effect on expenses offset against capital	(72)	(60)
Finance costs: Distributions	686	472

7. DEBTORS

	28/02/11 £'000	28/02/10 £'000
Accrued revenue	74	26
Amounts receivable for issue of shares	46	211
Prepaid expenses	2	2
Recoverable income tax	60	58
Renewal commission receivable	30	16
Sales awaiting settlement	-	3,049
	212	3,362

8. CASH AND BANK BALANCES

	28/02/11 £'000	28/02/10 £'000
Sterling	1,218	400
Cash and bank balances	1,218	400

9. BANK OVERDRAFTS

	28/02/11 £'000	28/02/10 £'000
Sterling	-	150
	-	150

10. CREDITORS

	28/02/11 £'000	28/02/10 £'000
Accrued expenses	45	36
Amounts payable for cancellation of shares	-	63
Corporation tax payable	-	2
Purchases awaiting settlement	6	1,958
	51	2,059

11. RELATED PARTIES

Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4. Amounts due at the year end are included within accrued expenses on the balance sheet where applicable.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2010: £nil).

13. DERIVATIVES AND FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The investment adviser and sub-investment adviser consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

The sub-fund holds positions in structured plans. The purpose of the plans is to provide a certain level of capital protection albeit with a limited potential return, dependent on the movement of underlying market indices. The use of structured plans is intended to reduce the volatility of the overall portfolio although in extreme market conditions this may not be the case. The portfolio statement on page 11, shows that 3.68% (2010: 5.04%) of the sub-fund's portfolio consists of investments in structured plans.

The investment adviser and sub-investment adviser do not use derivative instruments to hedge the investment portfolio against risks.

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-fund at the balance sheet date. However, there was significant foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Interest Rate Risk

The sub-fund does not have any direct interest rate risk as the majority of financial assets are in collective investment schemes, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The sub-fund will be exposed to some interest rate risk as its financial assets includes swap rate certificates based on interest rate swaps.

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall due within one year.

NEVIS CONSERVATIVE PORTFOLIO

Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the investment adviser and sub-investment adviser as an acceptable counterparty and from recognised product providers.

The sub-fund is exposed to counterparty risk with the issuers of structured plans.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Derivatives and Forward Transactions

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

14. PORTFOLIO TRANSACTION COSTS

As the sub-fund mainly invests in collective investment schemes and structured plans, there are no material transaction costs.

15. SHARE CLASSES

The sub-fund currently has two types of share, Class 1 (Income) and Class 2 (Accumulation). The AMC on each share class is as follows:

Class 1: 1.5%

Class 2: 1.5%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 9. The distribution per share class is given in the distribution tables below.

DISTRIBUTION TABLES

For the period from 1st March 2010 to 31st May 2010

First Interim dividend distribution in pence per share

Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/08/10	28/08/09
Group 1	0.7000	-	0.7000	1.1298
Group 2	0.0896	0.6104	0.7000	1.1298

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/08/10	28/08/09
Group 1	0.7400	-	0.7400	1.1325
Group 2	0.2758	0.4642	0.7400	1.1325

For the period from 1st June 2010 to 31st August 2010

Second Interim dividend distribution in pence per share

Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/11/10	27/11/09
Group 1	0.7000	-	0.7000	0.0235
Group 2	0.0763	0.6237	0.7000	0.0235

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			27/11/10	27/11/09
Group 1	0.7400	-	0.7400	0.0249
Group 2	-	0.7400	0.7400	0.0249

For the period from 1st September 2010 to 30th November 2010

Third Interim dividend distribution in pence per share

Income Shares

	Net Income	Equalisation	Distribution Paid	
			25/02/11	26/02/10
Group 1	0.7000	-	0.7000	1.1845
Group 2	-	0.7000	0.7000	1.1845

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			25/02/11	26/02/10
Group 1	0.7400	-	0.7400	1.2380
Group 2	0.1600	0.5800	0.7400	1.2380

For the period from 1st December 2010 to 28th February 2011

Final dividend distribution in pence per share

Income Shares

	Net Income	Equalisation	Distribution Paid	
			31/05/11	28/05/10
Group 1	0.6863	-	0.6863	0.1545
Group 2	0.2371	0.4492	0.6863	0.1545

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			31/05/11	28/05/10
Group 1	0.7971	-	0.7971	0.2186
Group 2	0.2005	0.5966	0.7971	0.2186

NEVIS GROWTH PORTFOLIO

COMPARATIVE TABLES

Performance Record

Calendar Year	High (p)	Low (p)
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Accumulation Shares

2008 ¹	104.50	78.75
2009	99.65	75.53
2010	111.08	96.43
2011 ²	111.78	109.32

Accumulation Record

Calendar Year	Net Income per Share (p)
---------------	--------------------------

Accumulation Shares

2008 ¹	0.4032
2009	0.4385
2010	0.4314
2011 ²	0.0754

Net Asset Value (NAV)

As at	Shares in Issue	NAV per Share (p) ³
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Accumulation Shares

28/02/2009	16,966,835	78.69
28/02/2010	19,177,674	99.35
28/02/2011	21,130,504	109.88

Total NAV	NAV of Sub-Fund (£)
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28/02/2009	13,351,425
28/02/2010	19,052,630
28/02/2011	23,217,240

¹ From 28th February 2008.

² To 28th February 2011.

³ The net asset value per share is calculated on a bid basis and excludes any distribution payable.

TOTAL EXPENSE RATIO (TER)

	28/02/11	28/02/10
	2.53%	2.50%

The TER shows the annual operating expenses of the sub-fund including the annual management charge, other expenses, and collective investments schemes (CIS) cost, which represent the TER's of the underlying funds held as portfolio investments. The CIS costs have been calculated on a weighted average basis using the total value of the investments at the year end. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses of different schemes. The TER for income and accumulation shares is the same.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Nevis Growth Portfolio is to provide capital growth over the medium to long term.

The investment policy of the sub-fund is to invest in units and/or shares in collective investment schemes, including (but not limited to) units and/or shares of collective investment schemes which themselves may invest in immovable property and unregulated collective investment schemes such as hedge funds.

The sub-fund may also invest in equities, fixed interest securities, money market instruments, deposits and warrants. It is the intention to be near fully invested at all times, however, the sub-fund has the facility to take tactical positions in cash or near cash.

Subject to the above, the sub-fund may invest in any asset class and adopt any investment technique or strategy permitted under FSA rules and as detailed in the full prospectus. The sub-fund may invest in derivatives and forward transactions for investment purposes as well as for the purposes of efficient portfolio management (including hedging).

INVESTMENT REVIEW

PERFORMANCE

The Nevis Growth Portfolio rose by 10.7% during this period.

MARKET REVIEW

Global equities rose as further evidence of a sustainable global economic recovery came through. However, it has not been a smooth ride. President Obama's proposal for tighter banking regulation coupled with the Greek sovereign debt crisis led to a sell off early in the period.

The investigation of Goldman Sachs over allegations of fraud in connection with US sub-prime property, shocked markets. In addition, Greece came under further pressure to agree austerity measures to reduce their growing deficit in exchange for assistance from other EU members and the International Monetary Fund (IMF).

At the end of August comments by Ben Bernanke, the US Federal Reserve Chairman, led investors to believe that a further round of Quantitative Easing was on the cards. As a result, markets rallied to the end of the year, briefly punctuated by Ireland's banking crisis and the subsequent bailout.

From the beginning of 2011 to date, Western economies have recovered at a faster rate than anticipated, although the question remains whether this is self sustaining or propped up by Quantitative Easing. For Asia and the Emerging Markets the spectre of inflation has turned attention away from strong Growth Domestic Profit (GDP) growth and onto the threat of tightening monetary policy. On top of this, rising tensions in the Middle East have led to further concerns over the global economic recovery as Brent Crude oil neared US\$120 a barrel.

PORTFOLIO ACTIVITY

Over the period our approach has been to maintain an even spread between risk assets and defensive assets. Investors still have concerns regarding the sustainability of the economic recovery and the continued high levels of sovereign debt in the West.

The Fund's performance was achieved in a year where investors continued to experience considerable volatility across all markets. However, the willingness of the US to continue with further Quantitative Easing and signs that the recovery was broadening out proved encouraging for the markets in general.

At the start of the period we switched our exposure to oil and gold commodities into equity exposure through the Investec Global Energy and BlackRock Gold & General funds as valuations lagged the price move in the underlying commodities. In June we began to sell Cazenove ARF UK Dynamic after the Investment Manager departure and switched the proceeds into the listed fund of hedge funds, BlueCrest AllBlue. This multi strategy fund is managed internally and has created an impressive track record which we believe is sustainable. We have bought into JPMorgan Consumer Trends, a global fund managed by Peter Kirkman which looks to profit from the changing appetite of the consumer in

NEVIS GROWTH PORTFOLIO

both the West and Emerging Markets. We increased our exposure to the Martin Currie Japan Alpha fund as the Japanese economy looks set to be a significant beneficiary of the recovering global economy and, coupled with low valuations, makes this an attractive investment.

OUTLOOK

The US is leading the recovery in the West and there are signs that the recovery is starting to broaden out although questions remain over its sustainability.

Developing economies are returning to above trend growth but loose monetary policy in the West is proving to be a headache for these countries as they continue to maintain their attachment to a weakening dollar. Equity markets remain wary of tightening monetary policy in these regions.

Inflation in the UK continues to be a concern. The creditability of the Bank of England is being questioned and their nerve tested. Whilst we may see an initial interest rate rise, it is unlikely we will see soaring rates whilst wage inflation remains non-existent.

Substantial sovereign debt funding in the Eurozone will remain a challenge. With austerity programmes in full swing, there will be less fundraising this year. However, hopes of a more concrete resolution agreed by all Eurozone finance ministers does not appear to be forthcoming.

For now we believe that global economic recovery is continuing which will support equity markets. The main caveat is the price of oil. Recent unrest in the Middle East and North Africa has caused Brent Crude oil to spike to over US\$110 a barrel and if this rise continues, this could hamper the recovery.

Source: North Investment Partners, March 2011. Performance data taken from Financial Express Analytics, quoted on a total return, bid to bid, UK sterling basis. Past performance is not a guide to future returns.

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Legal & General Dynamic		iShares S&P 500	1,305
Bond 'I'	1,100	M&G Securities Optimal	
iShares FTSE 250	914	Income	881
Martin Currie Japan		FRM Credit Alpha	860
Alpha 'H'	903	iShares FTSE 100	754
JPMorgan Global Consumer		First State Asia Pacific 'B'	607
Trends 'C'	840	F&C Progressive Growth	427
Schroder Asian Total		Gartmore UK Absolute	
Return 'C'	666	Return 'I'	409
FRM Credit Alpha	587	Insight UK Equity Market	
F&C UK Property	540	Neutral 'B'	401
BlueCrest AllBlue	411	Cazenove Absolute UK	
Henderson UK Property Trust	390	Dynamic 'P2'	311
iShares FTSE 100	331	Barclays Celsius Radar 'E'	206
Total purchases during the year were	8,538	Total sales during the year were	6,906

NEVIS GROWTH PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 28th February 2011

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %	Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
COLLECTIVE INVESTMENT SCHEMES 73.07% (70.28%)				INVESTMENT TRUSTS 3.71% (2.47%)			
Asia 9.84% (0.00%)				Global 3.12% (0.23%)			
191,602	First State Asia Pacific 'B'	677	2.92	8,000	BlackRock World Mining	63	0.27
844,905	Martin Currie Japan Alpha 'H'	983	4.23	197,000	Better Capital Ltd	231	0.99
3,642	Schroder Asian Total Return 'C'	624	2.69	254,203	BlueCrest AllBlue	431	1.86
		2,284	9.84			725	3.12
Europe 4.20% (0.00%)				Property 0.00% (0.19%)			
277,951	Neptune European Opportunities 'B'	975	4.20				
		975	4.20				
Global 7.44% (0.00%)				United Kingdom 0.59% (2.05%)			
293,570	Investec Global Energy 'A'	815	3.51	177,209	FRM Credit Alpha	137	0.59
824,592	JPMorgan Global Consumer Trends 'C'	912	3.93			137	0.59
		1,727	7.44				
United Kingdom 46.70% (64.08%)				HEDGE FUNDS 5.30% (4.78%)			
473,859	Allianz RCM BRIC Stars 'C'	869	3.74				
969,366	Artemis Income 'I'	1,668	7.18				
658,434	Artemis Strategic Asset	437	1.88				
136,014	AXA Framlington UK Select Opportunities	1,632	7.03				
59,941	BlackRock Gold & General 'A'	943	4.06				
540,000	F&C UK Property	522	2.25				
364,612	Henderson UK Property Trust	334	1.44				
1,758,160	Invesco Perpetual Income	1,505	6.48				
323,094	Investec Enhanced Natural Resources 'I'	437	1.89				
223,000	John Laing Infrastructure	231	0.99				
1,623,632	Legal & General Dynamic Bond 'I'	1,067	4.60				
2,653,729	Schroder Income Maximiser 'A'	1,199	5.16				
		10,844	46.70				
Money Market 0.00% (1.12%)				STRUCTURED PLANS 2.86% (3.53%)			
United States 4.89% (5.08%)				United Kingdom 2.86% (3.53%)			
93,730	Schroder US Smaller Companies 'A'	1,135	4.89	14,800,000	Goldman Sachs GBP 10 Year Swap Rate Certificates 12/06/2012	15	0.06
		1,135	4.89	371,000	Goldman Sachs GBP 10 Year Swap Rate Certificates 20/11/2014	308	1.33
				469,500	Harewood Structured Enhanced Property Recovery 'A'	341	1.47
						664	2.86
EXCHANGE TRADED FUNDS 7.19% (12.05%)				Total Value of Investments			
United Kingdom 4.11% (1.98%)				21,500			
83,600	iShares FTSE 250	955	4.11	Net Other Assets			
		955	4.11	1,717			
United States 3.08% (10.07%)				Total Net Assets			
88,500	iShares S&P 500	716	3.08	23,217			
		716	3.08	100.00			
EQUITIES 0.47% (0.00%)							
United Kingdom 0.47% (0.00%)							
31,000	Quorum Oil & Gas Technology	108	0.47				
		108	0.47				

Figures in brackets represent sector distribution at 28th February 2010.

NEVIS GROWTH PORTFOLIO

STATEMENT OF TOTAL RETURN

For the year ended 28th February 2011

	Notes	28/02/11 £'000	28/02/10 £'000
Income			
Net capital gains	2	2,114	3,590
Revenue	3	424	373
Expenses	4	(375)	(298)
Finance costs: Interest	6	-	-
Net revenue before taxation		49	75
Taxation	5	(3)	(14)
Net revenue after taxation		46	61
Total return before distributions		2,160	3,651
Finance costs: Distributions	6	(46)	(61)
Change in net assets attributable to shareholders from investment activities		2,114	3,590

BALANCE SHEET

As at 28th February 2011

	Notes	28/02/11 £'000	28/02/10 £'000
ASSETS			
Investment assets		21,500	17,741
Debtors	7	238	2,620
Cash and bank balances	8	1,532	456
Total other assets		1,770	3,076
Total assets		23,270	20,817
LIABILITIES			
Creditors	9	(53)	(1,764)
Total liabilities		(53)	(1,764)
Net assets attributable to shareholders		23,217	19,053

The notes on pages 20 to 22 are an integral part of these financial statements.
On behalf of Premier Portfolio Managers Limited.



Neil Macpherson

Finance Director (of the ACD)
27th June 2011

Mark Friend

Managing Director, Operations (of the ACD)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28th February 2011

	Note	28/02/11 £'000	28/02/10 £'000
Opening net assets attributable to shareholders		19,053	13,351
Amounts receivable on issue of shares		4,136	3,877
Amounts payable on cancellation of shares		(2,131)	(1,836)
		2,005	2,041
Dilution levy		2	5
Stamp duty reserve tax		(7)	(4)
Change in net assets attributable to shareholders from investment activities		2,114	3,590
Retained distributions on accumulation shares	6	50	70
Closing net assets attributable to shareholders		23,217	19,053

NEVIS GROWTH PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies are set out in the aggregated notes to the financial statements on pages 6 to 8.

2. NET CAPITAL GAINS

	28/02/11 £'000	28/02/10 £'000
Non-derivative securities	2,107	3,561
Currency (losses)/gains	(10)	4
Capital management fee rebates	17	25
Net capital gains	2,114	3,590

3. REVENUE

	28/02/11 £'000	28/02/10 £'000
Bank interest	1	-
Offshore CIS revenue	61	-
Overseas dividends	7	2
Franked distributions	225	129
Unfranked distributions	120	234
Management fee rebates	10	8
	424	373

4. EXPENSES

	28/02/11 £'000	28/02/10 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	322	243
	322	243
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	17	13
Safe custody fees	1	1
	18	14
Other expenses:		
Auditor's remuneration	7	6
FSA and other regulatory fees	1	-
Price publication fees	2	2
Printing fees	-	(2)
PRS fees	5	5
Registration fees	20	30
	35	41
Total expenses	375	298

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	28/02/11 £'000	28/02/10 £'000
Current tax:		
Irrecoverable income tax	3	14
Total current tax (note 5 (b))	3	14

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/11 £'000	28/02/10 £'000
Net revenue before taxation	49	75
	49	75
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2010: 20%)	10	15
Effects of:		
Franked UK dividends and distributions not subject to taxation	(57)	(26)
Irrecoverable income tax	3	14
Offshore dividends non-taxable	(1)	(5)
Excess management expenses	44	11
Tax effect on capital management fee rebates	3	5
Tax payable in different periods	1	-
Current tax charge (note 5 (a))	3	14

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £44,234 (2010: £10,388) arising as a result of having unutilised management expenses.

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28/02/11 £'000	28/02/10 £'000
Interim accumulation	34	19
Final accumulation	16	51
	50	70
Add: Revenue deducted on cancellation of shares	3	3
Deduct: Revenue received on issue of shares	(7)	(12)
Net distributions for the year	46	61
Interest	-	-
Total finance costs	46	61

NEVIS GROWTH PORTFOLIO

The difference between the net revenue after taxation and the amounts distributed comprises:

Net revenue after taxation	46	61
Finance costs: Distributions	46	61

7. DEBTORS

	28/02/11 £'000	28/02/10 £'000
Accrued revenue	20	13
Amounts receivable for issue of shares	21	19
Prepaid expenses	1	2
Recoverable income tax	21	22
Renewal commission receivable	33	24
Sales awaiting settlement	142	2,540
	238	2,620

8. CASH AND BANK BALANCES

	28/02/11 £'000	28/02/10 £'000
Sterling	1,532	456
Cash and bank balances	1,532	456

9. CREDITORS

	28/02/11 £'000	28/02/10 £'000
Accrued expenses	38	33
Purchases awaiting settlement	15	1,731
	53	1,764

10. RELATED PARTIES

Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4. Amounts due at the year end are included within accrued expenses on the balance sheet where applicable.

11. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2010: £nil).

12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The investment adviser considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

The sub-fund holds positions in structured plans. The purpose of the plans are to provide a certain level of capital protection albeit with a limited potential return, dependent on the movement of underlying market indices. The use of structured plans is intended to reduce the volatility of the overall portfolio although in extreme market conditions this may not be the case. The portfolio statement on page 18, shows that 2.86% (2010: 3.53%) of the sub-fund's portfolio consists of investments in structured plans.

The investment adviser does not use derivative instruments to hedge the investment portfolio against risks.

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-fund at the balance sheet date. However, there was significant foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Interest Rate Risk

The sub-fund does not have any direct interest rate risk as the majority of financial assets are in collective investment schemes, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The sub-fund will be exposed to some interest rate risk as its financial assets includes swap rate certificates based on interest rate swaps.

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall due within one year.

Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the investment adviser as an acceptable counterparty and from recognised product providers.

The sub-fund is exposed to counterparty risk with the issuers of structured plans.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Derivatives and Forward Transactions

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

13. PORTFOLIO TRANSACTION COSTS

As the sub-fund mainly invests in collective investment schemes and structured plans, there are no material transaction costs.

14. SHARE CLASSES

The sub-fund currently has one type of share. The AMC on the share class is as follows:

Class 1: 1.50%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 16. The distribution per share class is given in the distribution tables on page 22.

NEVIS GROWTH PORTFOLIO

DISTRIBUTION TABLES

For the period from 1st March 2010 to 31st August 2010

Interim dividend distribution in pence per share

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			31/10/10	31/10/09
Group 1	0.1656	-	0.1656	0.1012
Group 2	0.0005	0.1651	0.1656	0.1012

For the period from 1st September 2010 to 28th February 2011

Final dividend distribution in pence per share

Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			30/06/11	30/06/10
Group 1	0.0754	-	0.0754	0.2658
Group 2	-	0.0754	0.0754	0.2658

Administration Queries

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